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September 22, 2017

VIA ECF

Hon. Robert M. Levy
Magistrate Judge
United States District for the
Eastern District of New York
225 Cadman Plaza East
Brooklyn, New York 11201

RE: Campbell v. Ganguly, No. 14-cv-00188 (E.D.N.Y)

Dear Magistrate Levy:

This firm represents Plaintiffs James Campbell and Kevin Rudolf in this action. Pursuant to this Court's order dated June 29, 2017, we write with Defense counsel's consent regarding the forfeiture proceeding currently pending in the related criminal action, *U.S. v. Ganguly*, No. 14-cr-00123 (S.D.N.Y.) (the "Forfeiture Proceeding").

Since May 2015, this action has been stayed while Plaintiffs await final resolution of the Forfeiture Proceeding and the distribution of the funds seized by the government in the criminal action into the victims' compensation fund. As of August 2016, the two lingering procedural issues baring the Forfeiture Proceeding were resolved and, on October 31, 2016, the court issued a final order of forfeiture.

Several steps remain, however before the Forfeiture Proceeding can be closed and Plaintiffs can receive any distributions as compensation. This had included the liquidation of certain remaining property, and the government's need to obtain authorization from the Department of Justice before any forfeited funds can be applied towards restitution for Ms. Ganguly's victims. Once this authorization is granted, Plaintiffs must then seek a court order from the criminal court for a proportional disbursement out of the restitution fund.¹

¹ Our understanding is that the victim's compensation fund will not contain enough money to fully compensate all of Ms. Ganguly's victims for their losses. Plaintiffs' therefore contend that their claims in this action will remain intact notwithstanding any partial recovery through this mechanism.

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As Your Honor may recall, the final bottleneck in liquidating the remaining seized property was overcome earlier this summer; the U.S. Attorney's Office ("USAO") reported that the last asset – personal jewelry – had been liquidated and the funds from the sale remitted to the government's forfeiture fund.

At present, however, the local USAO is still in the process of preparing its application to the Department of Justice for authorization to apply the proceeds of the fund towards restitution. Plaintiffs understand that the Department of Justice must review all applications prior to granting approval, a process that can several months following receipt of the application. Accordingly, the disbursement of any money to Plaintiffs via the Forfeiture Proceeding remains on standby until the review by the Department of Justice is complete.

The final resolution of the Forfeiture Proceeding and eventual disbursement of funds directly impacts this action and the parties' ability to settle. Counsel for the parties have conferred and, for the time being, agree that this action should remain stayed. On these grounds, the parties respectfully request that this Court extend the relief previously granted and stay this action through and including until December 15, 2017.

Counsel for Plaintiffs and Defendants are available at Your Honor's convenience to discuss their joint request, or any other matter.

Respectfully Submitted,

/s/ Andrew J. Ungberg

Andrew J. Ungberg

cc: Counsel of Record (via ECF)